

STATE OF CALIFORNIA
STATE LANDS COMMISSION

PUBLIC SCOPING MEETING IN THE MATTER OF
AT&T ASIA AMERICA GATEWAY PROJECT
DRAFT ENVIRONMENTAL IMPACT REPORT

SANDS SUITES
CONFERENCE ROOM
1930 MONTEREY STREET
SAN LUIS OBISPO, CALIFORNIA

TUESDAY, NOVEMBER 27, 2007

3:00 P.M.

Reported by:
Troy Ray

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

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PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

1 will be making a decision on the EIR and the project once
2 we are through the Draft EIR and the final EIR process.

3 If I haven't mentioned, there are speaker slips
4 back there if anybody would like to speak, they can put
5 comments on the back of it. You can email us with your
6 comments, leave a voice mail or fax them.

7 The Draft EIR -- well, first, we hope to have
8 consultants on board in February, have the Draft EIR go
9 out in the summer, and hopefully have it for our
10 commission around the end of next year for them to make a
11 decision on the EIR and the project. When the Draft EIR
12 goes out, we'll have another public meeting during the
13 45-day review period. We'll then prepare the final EIR,
14 which includes responses to comments made on the Draft
15 EIR. This will be sent to everyone who has commented on
16 the Draft EIR.

17 The commission will then make their decision and
18 certify the EIR and approve the project at one of their
19 meetings following the completion of the final EIR, which
20 we anticipate to be towards the end of next year.

21 Are there any questions here on the CEQA process?

22 All right. Then we'll have Bob go ahead, and
23 want to give your presentation?

24 MR. WARGO: Sure. My name is Bob Wargo, and as
25 you've been told, I'm from AT&T. I'm a marine liaison

1 segment of the fiber optic cable network to the western
2 United States. The project being discussed today
3 accomplishes that task by landing the proposed cable at
4 our existing facilities in the Sandspit parking lot of
5 Montana de Oro State Park and then connecting the cable to
6 our existing cable station on Los Osos Valley Road west of
7 San Luis Obispo.

8 The onshore portion of this project utilizes
9 existing structures, and no new significant construction
10 is required.

11 Offshore of San Luis Obispo, the cable will
12 follow the alignment of existing cables for about five or
13 six miles and then proceed in a south-westerly direction
14 to Hawaii, then on to Guam, and finally to the landing
15 sites in Southeast Asia.

16 And if you look around the room, you'll see some
17 of these charts and you'll note that the cable alignment
18 follows pretty much the alignment that was chosen for the
19 Japan-U.S. and China-U.S. cables previously.

20 For about 70 miles off shore until the edge of
21 the outer continental shelf where the water depth is
22 roughly 1850 meters or 1,000 fathoms, the cable will be
23 buried to a depth of one meter where feasible.

24 Burial of the cable is principally motivated to
25 avoid unwanted contact with fishing gear and other marine

1 project. AT&T will be working not only with the
2 California State Lands Commission, but also the California
3 Coastal Commission, San Luis Obispo County, Montana de Oro
4 State Park, the Regional Water Quality Board, the
5 United States Army Corps of Engineers, the United States
6 Fish and Wildlife Service, the National Marine Fisheries
7 Service, the local fishing communities and other
8 interested parties.

9 AT&T prides itself on positive working
10 relationships with local community. We are a charter
11 member of the Central California Joint/Cable Fisheries
12 Liaison Committee. And I see our liaison officer in the
13 crowd today, so thank you for coming, Chris. And I am
14 personally here in the community on a periodic basis
15 meeting with the fishing community as a part of our
16 continued efforts to stay connected and be responsive to
17 issues as they arise.

18 AT&T's hope is to have the project permitted and
19 the cable installed in the San Luis Obispo area by fall of
20 next year.

21 Thank you very much for your time. We look
22 forward to working with you and all interested parties
23 towards a successful completion of this project. Thank
24 you.

25 MR. MCFARLIN: Are there any general questions on

1 MR. GILLIES: We haven't in the past for these
2 projects.

3 MS. CORNETT: Okay. Because I've been with you
4 on a few other similar projects and there were joint
5 documents.

6 MR. McFARLIN: Oh, really, with MMS as a Federal
7 lead?

8 MS. CORNETT: Sorry?

9 MR. McFARLIN: MMS was a Federal lead?

10 MS. CORNETT: Yes, on a State Lands project was
11 in Monterey.

12 MR. GILLIES: Oh, for the Mars.

13 MS. CORNETT: Was it the Mars?

14 MR. GILLIES: Oh, yeah. The Mars, that was the
15 scientific observatory. Yeah, we teamed up with the Feds
16 on that because it was actually the Federal -- well,
17 Monterey Bay was the lead agency.

18 MS. CORNETT: Okay. It was an SCAC document back
19 in 2000.

20 MR. McFARLIN: Maybe we're talking about
21 different projects.

22 MS. CORNETT: Those are two different projects,
23 so that was a different cable project.

24 MR. McFARLIN: I know of the project, but I don't
25 know that much about it, other than the boxes are piled up

1 make sure, you know, we're looking for qualified
2 consultants to prepare a quality environmental document
3 for this project.

4 Specifically, one thing we want to ensure with
5 each firm that applies or proposes is that they have a
6 good technical editor for their documents. And an issue
7 that has come up on all of our projects requiring
8 environmental documents is greenhouse gases; it's
9 important that there's analysis. This will most likely be
10 a short-term list for construction, but we're looking at
11 analyses in all our documents.

12 The SOI was sent out November 14th and proposals
13 are due December 18th, two o'clock and no later, and it's
14 up to the consulting firms to ensure that it's in our
15 office on time, otherwise it becomes disqualified.

16 We have a maximum of 50 pages on each -- on our
17 proposals, and that includes the resumes. That excludes
18 the DVBE and small business documentations. We request
19 that firms that apply, that we try to meet the goal of 25
20 percent small business, and then there's a requirement for
21 a five percent for Disabled Veterans Business Enterprises,
22 DVBE, and that's mandatory. So in the cost is -- five
23 percent of the cost proposal.

24 The selection process is once we have this
25 conference and the end of the NOP and we receive the

1 MR. WARGO: Whether the lead guy's got a Ph.D. or
2 not?

3 MR. GILLIES: No, no, not that. As long as they
4 understand the issues and the environmenal, and as far as
5 who's qualified to prepare the document.

6 MR. WARGO: Okay.

7 MR. GILLIES: It's not based on cost.

8 MR. WARGO: And that two-to-three-month window
9 for getting someone on board, is there any scope in that
10 for making it less than two to three months?

11 MR. GILLIES: Well, we understand the schedules
12 as far as getting that document out.

13 MR. WARGO: Okay. That sounds like a no.

14 Go ahead, I'm sorry.

15 MR. GILLIES: We plan to get the document -- the
16 tentative schedule shows the document going out in the
17 summer --

18 MR. WARGO: Okay.

19 MR. GILLIES: -- of next year and then going to
20 the commission in the next year.

21 We anticipate -- I think the interviews we
22 anticipate to be the first week -- first couple weeks of
23 January, and then a couple weeks after that we'll make a
24 decision, or actually usually a week after that we'll make
25 a decision. But then there is a two-week period as far as

1 that's under a schedule constraint that has started the
2 work with your selected consultant even before you have a
3 contract in place knowing that we'll -- you know the
4 contract will be in place and we'll start working?

5 MR. GILLIES: No. They can't start the work
6 until the contract's in place.

7 MR. WARGO: Because they're working for you,
8 that's right, okay. All right. I understand.

9 MR. GILLIES: And then once we get the consultant
10 on board, we'll have a kick-off meeting with AT&T and us
11 as far as, you know, lines of communication. And then the
12 whole -- keep preparing the document and getting all the
13 information from AT&T that they need to prepare the
14 document.

15 MR. WARGO: Okay.

16 MR. GILLIES: You know, a full -- the first order
17 of work would be you providing the project description and
18 alternatives to the consultant, and then they'll
19 prepare -- they'll review that and prepare the project --
20 the first three sections of the document, and that would
21 be reviewed by you and us.

22 MR. WARGO: Okay.

23 MR. GILLIES: We get more questions from the
24 applicant than the consultants.

25 MR. WARGO: Everybody out here knows the process

1 MR. GILLIES: Once we finalize the cost for the
2 project or for preparing the document, that's firm and
3 that rates won't go up, but in certain cases if the
4 project's delayed for a long time, which has happened, and
5 rates go up, if it's lapsed for a very long time and rates
6 have gone up, we can negotiate.

7 MS. CORNETT: So it's basically if they go -- if
8 it lapses for more than three years --

9 MR. GILLIES: Yeah.

10 MS. CORNETT: -- then that's the timeframe --

11 MR. GILLIES: Yeah.

12 MS. CORNETT: -- for us to re-negotiate the
13 rates?

14 MR. GILLIES: Yeah, because it's a three-year
15 contract.

16 MS. CORNETT: It's a one-year contract with the
17 option to renew.

18 MR. GILLIES: Right.

19 MS. CORNETT: Okay.

20 MR. GILLIES: Yeah, we anticipate, hopefully,
21 like I said, the schedule, we'd like to get the final out
22 or go to the commission the end of next year, which would
23 be a year.

24 MS. CORNETT: Okay.

25 MR. GILLIES: And typically the final EIR would

1 it's based on the correct project.

2 MS. CORNETT: So that would definitely occur
3 between March and May?

4 MR. GILLIES: Yeah. We have the kick-off meeting
5 tentatively the end of February, and then we have a style
6 guide shortly after that. And a style guide is provided
7 as a template that was provided with the SOI.

8 MS. CORNETT: So that's already done?

9 MR. GILLIES: Well, what you do is you take the
10 SOI, it's like a template, and then you would just gear it
11 for this project. And then you have an admin draft to us
12 the first -- one thing between here -- between the style
13 guide and admin draft, there should be another line item
14 for the first three sections.

15 MS. CORNETT: When do you see that occur?

16 MR. GILLIES: Probably the end of March, first of
17 April.

18 Yes.

19 MS. ROSEN: Has the seabed survey been conducted
20 as scheduled?

21 MR. GILLIES: The what survey?

22 MS. ROSEN: The seabed with the ROV.

23 MR. WARGO: Yes, it has.

24 MS. CORNETT: Could you go down the list of the
25 issue areas and then talk about what -- is greenhouse gas

1 probably. I don't know if they'd want to release it.

2 MR. WARGO: What about the acknowledgement stuff
3 that's done? That would be available, yes?

4 MR. BRUNGARDT: They're not on the report now.

5 MR. WARGO: Some things will be available, some
6 things won't.

7 MS. ROSEN: How will we obtain those available
8 documents?

9 MR. GILLIES: We would have to get it to
10 Annabell.

11 When do you think they would be available?

12 MR. WARGO: Off the top of my head, I don't know.

13 MR. BRUNGARDT: You'd probably need -- you'd like
14 it as early as possible, but would a week be enough, a
15 week before the proposals are due, like the 12th or the
16 10th or the 11th?

17 MS. ROSEN: So contact Annabell?

18 MR. BRUNGARDT: Yeah. I would say we could have
19 something to Annabell by the 10th of December. That would
20 be a summary at least.

21 MR. GILLIES: Yeah. We won't guarantee it, but
22 you could contact Annabell if it's there. What we could
23 do -- what we'll do is once we get it, we'll send it out
24 to the consulting list. That way everybody has an
25 opportunity to get a copy.

1 MS. CORNETT: Okay.

2 MR. GILLIES: And what documents were those?

3 MR. McFARLIN: The application and the -- is it

4 the marine survey?

5 MS. CORNETT: No, the preliminary environmental

6 analysis.

7 MR. GILLIES: Oh, the PEA.

8 MS. CORNETT: Uh-huh.

9 MR. GILLIES: Okay.

10 MS. CORNETT: So back to the list. So your

11 environmental justice, the two that was -- the policy.

12 MR. GILLIES: Yeah.

13 MS. CORNETT: Is that going to be an issue in

14 this project?

15 MR. GILLIES: I don't think environmental justice

16 will be an issue, but it's the standard in our

17 environmental documents. And we developed that policy in

18 2002 and had it approved by the commission.

19 MS. CORNETT: Has it been implemented?

20 MR. GILLIES: We just use it in the documents,

21 yeah.

22 MS. CORNETT: So you have examples.

23 MR. GILLIES: Yeah, you can look at our previous

24 documents.

25 MS. CORNETT: Okay.

1 for the document.

2 MS. CORNETT: Okay.

3 MR. GILLIES: And we're limiting the proposals to
4 50 pages, but we want, you know, those 50 pages to be, you
5 know, high quality to show that you're the best firm to
6 prepare the document.

7 MS. CORNETT: And in the next paragraph down,
8 actually at the bottom, they're asking the bidders to
9 identify a potential impact footprint for each issue area
10 in the bid. It's a pretty high level of detail.

11 MR. GILLIES: Well, this is for environmental
12 justice.

13 MS. CORNETT: Okay. Just that?

14 MR. GILLIES: Yeah.

15 MS. CORNETT: Okay. And I think that won't be a
16 big issue for this project.

17 MR. WILSON: I have a couple comments.

18 I'm with the County, I'm with the County of
19 San Luis Obispo. I probably should have spoke at the
20 public time, but I brought a little bit of information
21 that I would recommend any consultant that picks up this
22 project take a look at. What I've done is just brought
23 one copy of excerpts from our coastal plans and policies
24 document, which addressed things like shoreline access,
25 recreation visitors, environment sensitive habitats,

1 MR. WILSON: And these aren't the whole of the
2 sections, those are the ones that as thumbing through this
3 morning looked most appropriate for this project.

4 MR. GILLIES: Okay.

5 MR. WILSON: Take a look at it.

6 MR. GILLIES: Yes.

7 MS. LOUIE: I was just wondering if any agencies
8 or local organizations have had a chance to hear about
9 this project at all and whether or not you have any -- or
10 if you're anticipating any big concerns from any agencies
11 or local organizations on this project?

12 MR. McFARLIN: We have not so far.

13 MR. WARGO: Agencies or organization. Well, I
14 gave a presentation on this project at the last meeting of
15 the Central California Joint Cable Fisheries Liaison
16 Committee, and there was one comment about gear claim,
17 which is being handled, and we today took a walk out on
18 the right-of-way with this gentleman here from the Morro
19 Group who was representing --

20 MR. HARRY: The County.

21 MR. WARGO: -- the County of San Luis Obispo.

22 So some people have been consulted and continue
23 to be consulted. Obviously agencies that get talked to
24 later down in the pathway haven't been consulted, but they
25 know it's -- they know it's coming and they know it's out

1 of reviewing the ROV data and then the field monitoring
2 for the MMP.

3 MS. ROSEN: Do you have a preferred location for
4 the public comment hearing for the Draft EIR?

5 MR. GILLIES: Typically we want it within the
6 project vicinity. We've selected here as a meeting, so we
7 would most likely have it here. We usually will arrange
8 the public hearing.

9 MS. CORNETT: So that's a task for State Lands?

10 MR. GILLIES: Well, we'll ask the firm to do --
11 we'll set up the public hearing, as far as location. But
12 the task for the consulting firm is to provide a
13 presentation on the environmental document. And then
14 we'll take in public testimony on the document at that
15 time. And it will be a similar format. We'll have an
16 afternoon meeting and then an evening meeting.

17 MS. CORNETT: So it says two meetings. They're
18 actually on the same day?

19 MR. GILLIES: Yeah.

20 MS. CORNETT: Okay.

21 MR. McFARLIN: Same format as today.

22 MR. GILLIES: And in our linear projects, like
23 pipelines, if it's tens or hundreds of miles, we'll
24 typically have two locations, but for this meeting, we'll
25 just have it here. I suggested maybe Hawaii for the other

1 Federal permits required, they could use the CEQA document
2 for their permitting process. We've done the same -- if
3 there wasn't a CEQA, we sometimes use a Federal document
4 to do a CEQA equivalent.

5 MS. CORNETT: Okay.

6 MR. GILLIES: But I'm not sure.

7 Have you dealt with any Federal agencies on this
8 project?

9 MR. WARGO: Army Corp we'll get a permit from.

10 MR. GILLIES: Okay.

11 MR. WARGO: That's typically the only ones.

12 We've never consulted with MMS.

13 MR. GILLIES: Okay. Then the Corp would be the
14 NEPA I would think, the NEPA lead.

15 MS. CORNETT: It doesn't require NEPA, but it
16 might -- just the permits.

17 If there are questions about that cost proposal,
18 who do we talk to, you or Annabell?

19 MR. McFARLIN: All questions have to go through
20 Annabell.

21 MS. CORNETT: Okay.

22 MR. GILLIES: Yeah, after today, work through
23 Annabell. And if it's a question that's technical, she'll
24 ask us that question and then we will give her the
25 information.

CERTIFICATE OF REPORTER

I, TROY RAY, an Electronic Reporter, do hereby certify that I am a disinterested person herein; that I recorded the foregoing California State Lands Public Scoping Meeting; that thereafter the recording was transcribed.

I further certify that I am not counsel or attorney for any of the parties to said Public Meeting, or in any way interested in the outcome of said Public Meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 11th day of December, 2007.

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345